

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6755

BILL NUMBER: SB 219

NOTE PREPARED: Dec 26, 2011

BILL AMENDED:

SUBJECT: Highway Revolving Loan Fund.

FIRST AUTHOR: Sen. Skinner

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: ☒ **GENERAL**
☒ **DEDICATED**
☐ **FEDERAL**

IMPACT: State & Local

Summary of Legislation: The bill establishes the Highway Revolving Loan Fund to provide loans to counties and municipalities for certain construction projects. It provides that the Indiana Department of Transportation (INDOT) shall administer the fund. This bill also appropriates \$1.5 M to the fund.

Effective Date: July 1, 2012.

Explanation of State Expenditures: This bill establishes the Highway Revolving Loan Fund for the purpose of making loans to counties and municipalities for certain road construction projects. Under this bill, INDOT is responsible for administering the fund, which consists of appropriations from the General Assembly; grants, gifts, and donations intended for deposit in the fund; the repayment of loans made from the fund including premiums, interest, and penalties; and money from any other source deposited in the fund. The bill appropriates \$1.5 M to the fund from the state General Fund in FY 2013.

At the end of the fiscal year, any money in the fund does not revert to the state General Fund. The bill also stipulates that any administrative expenses associated with the fund will be paid from the fund. The Treasurer of State would be responsible to invest the money in the fund not currently needed to make loans. All accrued interest would be deposited in the fund.

INDOT would determine the terms of a loan including the duration of the loan, not to exceed 25 years; the repayment schedule of the loan; the interest rate, not to exceed 2%; the amount of the loan; and any other conditions specified by INDOT.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: See *Explanation of State Expenditures*.

State Agencies Affected: INDOT; Treasurer of State.

Local Agencies Affected: Counties; Municipalities.

Information Sources:

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